

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UN-STARRED QUESTION NO-2481**

**TO BE ANSWERED ON MONDAY, THE 13TH DECEMBER, 2021
Agrahayana 22, 1943 (Saka)**

Payment of GST Arrears

**2481. SHRI DINESH CHANDRA YADAV:
SHRI KAUSHALENDRA KUMAR:
SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Goods and Service Tax (GST) dues are not being paid to the States as per their entitlement and if so, the details thereof;
- (b) the names of states which are yet to receive their share of GST from the Union Government along with the amount to be paid to the States, State-wise;
- (c) whether it is not a fact that the States have to face severe constraints in undertaking development works due to undue delay in payment of GST arrears and if so, the reaction of the Government thereto;
- (d) whether the payment of GST arrears to the States is under consideration of the Government; and
- (e) if so, the time by which payment of GST arrears is to be made?

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) to (e) As per provisions of GST (Compensation to States) Act, 2017, GST compensation for financial years 2017-18, 2018-19 and 2019-20 has already been paid to all the States/UTs. However, the economic impact of the pandemic has led to higher compensation requirement due to lower GST collection and at the same time lower collection of GST compensation cess. GST compensation of Rs. 1,30,464 crore has been released to States/UTs to partly meet the compensation payable for the period April'20 to March'21 as the amount in GST Compensation Fund was not adequate to meet the full compensation requirement.

The issue of shortfall of cess collection into Compensation Fund and GST compensation to States/UTs due to economic impact of the pandemic has been deliberated in 41st, 42nd & 43rd GST council meetings. As per the decision of GST Council, Rs. 1.1 lakh crore for FY 2020-21 & Rs. 1.59 lakh crore for FY 2021-22 has been released to States/ UTs as back to back loan to meet the

resource gap of the States/UTs due to shortfall in GST compensation. Release of this amount has been front loaded during the financial year to enable States/UTs to undertake capital expenditure. In addition, depending on the amount available in the Compensation Fund, Centre has also been releasing the regular GST compensation to States to make up for GST revenue shortfall. Taking into account, the GST compensation released from Compensation Fund as well as back-to-back loan released in FY 2020-21 and FY 2021-22, GST compensation of ₹ 37,134 crore for period April'20 to March'21 and ₹ 14,664 crore for April-September'21 is pending to States/ UTs as per provisional figures. The detail of GST compensation due to States/ UTs for FY 2020-21 and for period April'21 to September'21 is as per Annexure. Centre is committed to release full GST Compensation to the States/UTs as per GST (Compensation to States) Act, 2017 for the transition period by extending the levy of Compensation cess beyond 5 years to meet the GST revenue shortfall as well as servicing the loan borrowed through special window scheme. As far as States' share of Central portion of GST is concerned, it is being released regularly.

Annexure

(in Rs. Crore)

S. No.	Name of State/UT	Provisional GST compensation yet to be released for FY 2020-21	Provisional GST compensation yet to be released for FY 2021-22 (April-Sept)
(1)	(2)	(3)	(4)
1	Andhra Pradesh	1195	387
2	Arunachal Pradesh	0	0
3	Assam	351	79
4	Bihar	754	0
5	Chhattisgarh	309	0
6	Delhi	2543	2104
7	Goa	360	394
8	Gujarat	3145	0
9	Haryana	1141	0
10	Himachal Pradesh	391	0
11	J & K	371	0
12	Jharkhand	582	87
13	Karnataka	3528	0
14	Kerala	1484	0
15	Madhya Pradesh	1194	0
16	Maharashtra	6723	6430
17	Manipur	0	0
18	Meghalaya	61	61
19	Mizoram	0	0
20	Nagaland	0	0
21	Odisha	630	0
22	Puducherry	134	0
23	Punjab	1838	0
24	Rajasthan	1439	0
25	Sikkim	1	0
26	Tamil Nadu	2894	2049
27	Telangana	615	0
28	Tripura	37	0
29	Uttar Pradesh	3120	2321
30	Uttarakhand	595	0
31	West Bengal	1699	751
	Total	37134	14664